COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

GENERAL TELEPHONE COMPANY OF THE SOUTH'S TARIFF FILING PROPOSING A WAIVER OF THE MONTHLY RATE AND NONRECURRING CHARGES FOR SPECIAL PROMOTIONS AND A REVISION OF CUSTOM CALLING SERVICE TO INCLUDE "PACKAGE" MONTHLY RATES

) CASE NO. 9905

ORDER

IT IS ORDERED that General Telephone Company of the South ("GenTel") shall file an original and 10 copies of the following information with the Commission with a copy to all parties of record no later than two weeks from the date of this Order. If the information cannot be provided by this date, GenTel should submit a motion for an extension of time stating the reason a delay is necessary and include a date by which it will be furnished. Such motion will be considered by the Commission. GenTel shall furnish with each response the name of the witness who will be available at the public hearing for responding to questions concerning each item should a public hearing be held.

- 1. Are you proposing that the shareholders pay for any resulting revenue losses?
- 2. Are there new services you plan to offer under a special promotion in the foreseeable future, should the tariff be approved?

- 3. Special promotions will apply to nonrecurring and monthly charges for touch calling service and custom calling service. If a customer signs up for a service during a special promotion and later decides to cancel the service, will service charges be applicable for the cancellation?
- 4. Provide an analysis showing the break even point for each service for which waiver of charges is being proposed. For instance, if a customer signs up for call waiting during a special promotion, how long would the customer have to subscribe in order to begin providing a contribution to the basic local service subsidy?
- 5. Please explain what is meant by "limited periods" for a promotional. If the period will vary depending on the product, what will be the company's basis for determining the length of time a promotional should be offered? For how long are you proposing to waive the monthly charges?
- 6. Give a more detailed explanation of the "nondiscriminatory basis" on which you plan to offer these promotionals. The Commission is very concerned with the prohibitions in KRS 278.170. Will the promotionals apply to all exchanges and all classes of service?
- 7. Have you done studies on the potential revenue impact of special promotions? Please provide.
- 8. Provide a cost study of the proposed rates for packaging of custom calling features.
- 9. Do these proposed rates cover the costs associated with providing the services?

- 10. Do the current rates for custom calling services provide a contribution?
- 11. Does GenTel have similar tariffs in effect in other states? Where? Provide copy of those tariffs.

Done at Frankfort, Kentucky this 21st day of July, 1987.

PUBLIC SERVICE COMMISSION

For The Commission

ATTEST:

Executive Director